

REFERENCE TITLE: Arizona emissions bank

State of Arizona
Senate
Forty-eighth Legislature
Second Regular Session
2008

SB 1384

Introduced by
Senator Blendu

AN ACT

AMENDING SECTION 49-410, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA EMISSIONS BANK.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 49-410, Arizona Revised Statutes, is amended to
3 read:

4 49-410. Arizona emissions bank

5 A. The department of environmental quality shall establish and
6 administer an Arizona emissions bank. The department shall make information
7 on credits deposited in the Arizona emissions bank easily accessible to the
8 department of commerce and the public.

9 B. After the effective date of rules adopted pursuant to subsection D
10 of this section, a permitted source that reduces emissions of particulate
11 matter, sulfur dioxide, carbon monoxide, nitrogen dioxide, ~~or~~ volatile
12 organic compounds, **CARBON DIOXIDE, METHANE, NITROUS OXIDE,**
HYDROFLUOROCARBONS, PERFLUOROCARBONS OR SULFUR HEXAFLUORIDE by an amount
14 greater than that required by applicable law, rule, permit or order shall be
15 granted credit in an amount to be determined by the department of
16 environmental quality. The credit shall be deposited into the Arizona
17 emissions bank. To be creditable for deposit in the Arizona emissions bank,
18 the reduction in emissions shall be permanent, quantifiable and otherwise
19 enforceable and shall occur after ~~the effective date of this section AUGUST~~
20 **6, 1999.** This section does not prohibit a source from receiving credit by
21 means other than the Arizona emissions bank for emissions reductions that
22 occurred before ~~the effective date of this section AUGUST 6, 1999.~~

23 C. The department of environmental quality shall register, certify or
24 otherwise approve the amount of the credit before the credit is banked and
25 used to offset future increases in the emissions of air pollutants. The
26 credit **FOR EMISSIONS REDUCTIONS OF PARTICULATE MATTER, SULFUR DIOXIDE, CARBON**
MONOXIDE, NITROGEN DIOXIDE AND VOLATILE ORGANIC COMPOUNDS may be used,
28 traded, sold or otherwise expended within the same nonattainment area,
29 maintenance area or modeling domain in which the emissions reduction
30 occurred, only if there will be no adverse impact on air quality. Pursuant
31 to title 41, chapter 6, article 8, the department may delegate certification
32 of emissions credits **FOR PARTICULATE MATTER, SULFUR DIOXIDE, CARBON MONOXIDE,**
NITROGEN DIOXIDE AND VOLATILE ORGANIC COMPOUNDS to a county or multi-county
34 air quality control region, but shall retain authority to register credits
35 and administer the Arizona emissions bank.

36 D. On or before January 1, 2002, the department of environmental
37 quality shall adopt rules for the implementation and administration of the
38 Arizona emissions bank, and establish the criteria the department will use to
39 determine the amount of the emissions credit. The department shall establish
40 by rule a fee system to administer the Arizona emissions bank. A county that
41 has been delegated authority to certify emissions credits pursuant to
42 subsection C of this section shall establish a fee system to cover the
43 reasonable costs of certification in accordance with section 49-112,
44 subsection B. In setting the fee, the director and a county shall consider
45 the likely economic value of the credits and shall set a fee that does not
46 discourage the banking of emissions credit.

47 E. ~~The program established by this section ends on July 1, 2009~~
48 ~~pursuant to section 41-3102.~~